

# H.R. 3261, STOP ONLINE PIRACY ACT

*Introduced October 26, 2011*

*The Stop Online Piracy Act (H.R. 3261) builds on the Pro IP Act of 2008 and the Senate's Protect IP Act introduced earlier this year. The bill modernizes our criminal and civil statutes to meet new IP enforcement challenges and protect American jobs. The proposal reflects a bipartisan and bicameral commitment toward ensuring that law enforcement and job creators have the necessary tools to protect American intellectual property from counterfeiting and piracy.*

## IP ENFORCEMENT TOOLKIT:

- **Rogue Sites** – Under existing authority, law enforcement is unable to seek injunctive relief against notorious foreign websites trafficking in counterfeit goods and services, though they can pursue action against comparable domestic sites. This provision creates a 4-track process to better protect American intellectual property online. It expands existing authority for law enforcement and provides a mechanism for rights holders to protect their IP rights.
  - **Track 1** – Maintains the Attorney General's existing authority to seek injunctive relief against and block domestic websites engaged in online counterfeiting and piracy.
  - **Track 2** – Provides the Attorney General with authority to seek injunctive relief against websites on foreign TLDs (top-level domains) and provides an option parallel to ITC Section 337 injunctions for physical goods, an ability to seek a court order to block infringing websites from accessing the U.S. market.
  - **Track 3** – Provides rights holders with a two-step process to seek limited injunctive relief against infringing websites on foreign TLDs. In the first step, rights holders must contact and provide information to financial intermediaries and online ad providers to seek action to sever ties with a rogue site. If that occurs within a set time, then the process ends. If not, a rights holder then has the ability to seek an injunction against the rogue site (and only the rogue site) in federal court.
  - **Track 4** – Similarly provides right holders with the ability to use this two-step process for infringing websites on domestic TLDs (ex: dot-com).
  - **Senate Version** – The Senate version provides a rights holder with the ability to file an action without approaching intermediaries and exhausting private avenues.
- **Foreign and Economic Espionage** – Theft of U.S. trade secret information by foreign entities poses a serious threat to the American economy. Recognizing this ongoing threat, the bill raises the criminal penalties and fines for individuals and organizations engaged in foreign or economic espionage.

## PROTECTING PUBLIC HEALTH AND SAFETY:

- **Trafficking in Counterfeit Military Goods** – The lives of our active duty service men and women rely on the quality legitimate goods (equipment and parts) being provided to them. This bill creates a strong deterrent to those who would risk the lives of our armed forces and our national security by significantly increasing criminal penalties on those who knowingly traffic in such goods.
- **Trafficking in Counterfeit Drugs** – Increases the criminal penalties on those who traffic in counterfeit medicines.

## INTERNATIONAL IP ENFORCEMENT:

- **Intellectual Property Attaché Program** – Expands the U.S. IP attaché program and U.S. government IP training and capacity building programs and realigns their mission to align with priorities identified in the annual Special 301 report. This ensures that the U.S. government's IP efforts abroad are coordinated and dedicated to compelling U.S. economic interests.
- **Denying U.S. Capital to Notorious Foreign Infringers** – Examines the issue of whether foreign companies that base their business operations on IP infringing activity should be allowed access to U.S. capital markets.